

A THEORETICAL PERSPECTIVE OF THE IMPORTANCE OF STRATEGIC HUMAN RESOURCE MANAGEMENT IN THE 21ST CENTURY

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ABSTRACT

This article clearly explains about the importance of strategic human resource management through stages of strategic human resource management, including core functionalities for creating a healthy environment in modern organizations. By this strategic human resource management every organization improves organization performance in all activities through organizational culture. The human resource manager is concerned with enhanced productivity, fully utilizing the combined talent and skills of the entire workforce of an organization. This article particularly focuses on the importance and roles to be maintained by strategic human resource management fosters innovation, flexibility and sustainable competitiveness in the 21st century.

KEYWORDS: *Human Resource Management, Strategic Human Resource Management & Core Functions of Strategic Human Resource Management*

Original Article

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INTRODUCTION

Need of the Study

The need of the study is every employee becomes a profit centre in the organization. Every business can meet ever increasing customer demands. Every employee became pro-active and aligns their personal goals of the organization

Scope of the Study

The scope of the study is development of any organization depends on the employees for employee development. The article is to know the level of knowledge and skills given to the employees in the organization by implementing strategic human resource strategy.

Objectives of the Study

- To know about the importance of strategic human resource management
- To know about the difference between human resource management and strategic human resource management
- To know about the various stages in strategic human resource management
- To know about the roles and responsibilities of strategic human resource manager

Methodology of the Study

Research

The word research is composed of two syllables “**Re**” and “**Search**”.

- “**Re**” is the prefix meaning ‘Again or over again or a new’
- “**Search**” is the latter meaning ‘to examine closely and carefully’ or ‘to test and try’.

Together they form, a careful, systematic, patient study and investigation in some field of knowledge undertaken to establish principles / policies. **Research in common parlance refers to a search for knowledge** Every letter of the word ‘research’ emphasizes a special and dignified meaning as given below.

R – Rational (way of thinking)

E – Expert/Exhaustive (Treatment)

S – Search (for a solution)

E – Exactness

A – Analytical Analysis (of adequate data)

R – Relationship (of facts)

C – Careful (recording) / critical (observation) / constructive (attitude) / condensed/and compactly (stated Generalization)

H – Honesty/Hard work

Sources of Data

The sources for collecting the data are from

Secondary Data

The Secondary data refaced to the use of information already collected and published or unpublished. The sources are books, journal reports etc.

Limitations of the Study

- The study limited to secondary data.
- This study limited to the importance of strategic human resource management
- This study is only theoretical perspective

Strategic Human Resource Management

Today's business environment is very competitive in dynamic globalization. Every business management focuses on new ideas for effectively organizing and managing human resources in present competitive world. In the 21st century HR function has to develop a more strategic role in building the relationship with knowledge based organizations to develop strategies to maintain the standards in employee's efforts towards the business goals. Strategic human resource

management is never ending process for unchanged evolving business goals are designed for long term probably more than one year.

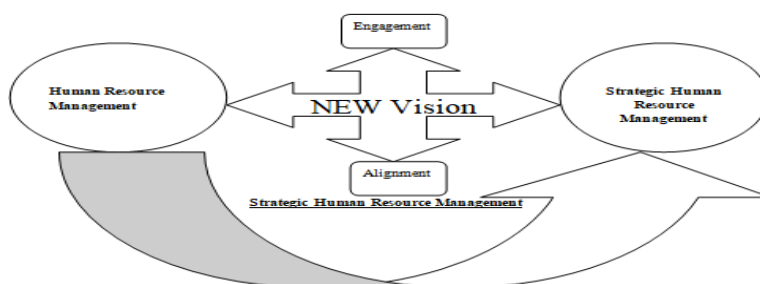


Figure 1

The Stages Involved in Implementing Strategic Human Resource Management

Strategic human resource process contains various stages for focus on decision – making, the unsuccessful of internal strategies for making any situation under of managerial control.

Scanning the Business Environment

Role of strategic human resource is scanning the business environment, i. e., both external and internal factors within the business. HR people can evaluate the employee's work force, work culture, skills of the workers and staff, compensation levels these can play a crucial role in the business environment

Count Down the Factors of Competitive Advantage

After scanning the business environment the strategic human resource management count down the factors for parameters of competitive advantage. It helps to improve quality of product with low price compare to competitor and high standards in customer services with brand positioning of our product

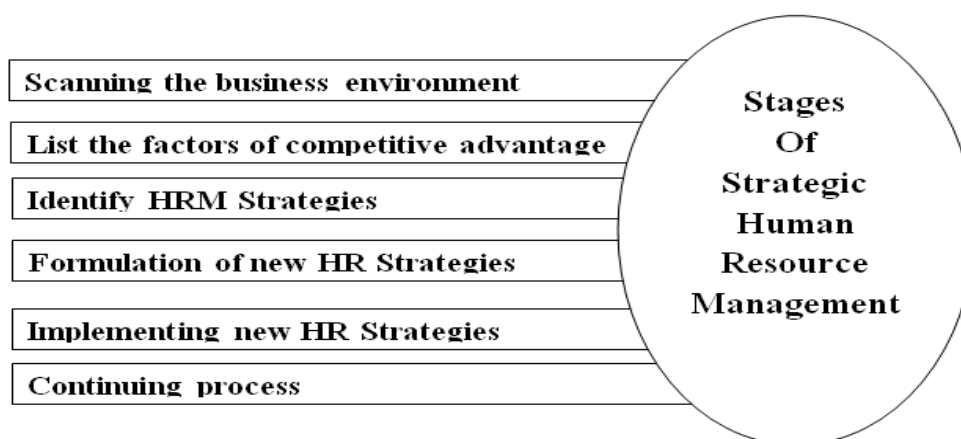


Figure 2

Identify HRM Strategies

For enhancing the competitive advantage every organization adopt four strategies to enlarge the employee capabilities.

Learning as Socialization

Learning as socialization is enhancing technique for employees to meet the performance targets by providing training courses, coaching sessions, education programs and creating awareness about organization rules, values, and beliefs.

Devolved Informal Learning

Devolved informal learning means creating awareness on career development and learning opportunities for employee personal growth.

Engineering

Engineering strategy is standardized inside and outside the organization for developing communities of practice and social networks.

Empowered Informal Learning

Empowered informal learning strategy designed by a human resource department for creating an association for developing learning environment such as all activities in organizing.

Formulation of New HR Strategies

Formulation of new HR strategies is very complicated and time taken process for set – up and implementing team building activities in organization. For framing this strategy hr manager use several sources and all levels of employees in an organization.

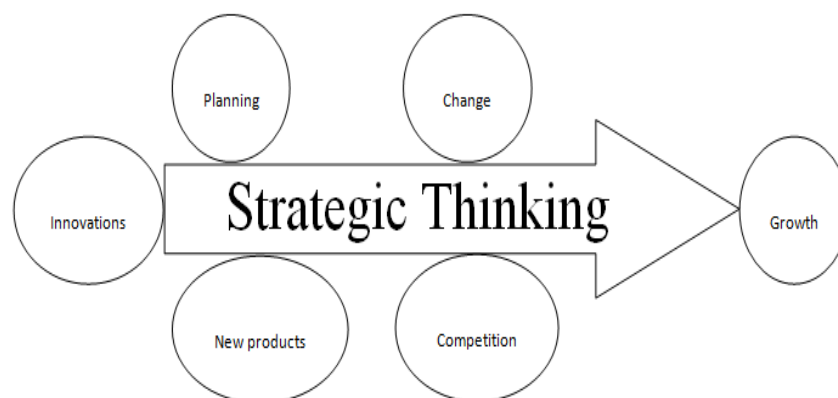


Figure 3

Implementing New HR Strategies

After framing HR strategies next step is implementing that strategy by following HR policies, plans, and actions through practices.

Continuing Process

Continue process means it is the final stage of strategic human resource management is monitoring and evaluation of HR strategies such as establishing and measuring performance targets of employees.

Difference Between Human Resource Management and Strategic Human Resource Management

Human resource management is the process of bringing together human resources and non human resources working for a common goal. Strategic human resource management focus on employee relations, management perception, stress continuous development, employment security, quality of employee work life and balance of work and life.

Table 1

Sl. No	Item	Human Resource Management	Strategic Human Resource Management
1	Responsibility	Staff specialist	Line manager
2	Focus	Employee relations	Partnerships with internal and external customers
3	Role	Transactional, change follower and respondent, respond to needs	Transformational, change leader and initiator, lead, inspire, understand
4	Initiatives	Slow, reactive, fragmented	Fast, proactive, and integrated
5	Time Horizon	Short term	Short, medium, and long (as required)
6	Control	Bureaucratic – roles, policies, procedures, rules, position power	Organic – flexible, whatever is necessary to succeed.
7	Job design	Tight division of labor: independence, specialization	Broad, flexible, cross-training teams
8	Key investments	Capital, products	People, knowledge
9	Accountability	Cost centers	Invest in human assets
10	Major emphasis	Following the rules	Developing people
11	Culture	Bureaucratic, top –down, centralization	Open, participative, empowerment
12	Objective	Better performance	Improved understanding and use of human assets
13	Planning and strategy formulation	Participate in formulating overall strategic plans.	Only participate in operational planning
14	Authority	High status of authority	Medium status of authority
15	Scope	Focus on with all managers and employees	Primarily with hourly, operational and clerical employees

Core Functions of Strategic Human Resource Management

Every organization wants to improve their business performance in order to develop culture of an organization for sustainable competitive advantage by flexibly. In view of strategic human resource management hr functions are strategic partner for implementing company strategies through HR functions.

Human Resource Strategy

Human resource strategy is designed by a human resource department to develop employee skills will help to success of organization. This strategy contains guide lines of hr polices and practice for managing the workforce. It coordinates various human resource activities such as recruitment, compensation, performance management, reward and recognition, employee relation and employee training for fulfilling organization vision and mission.

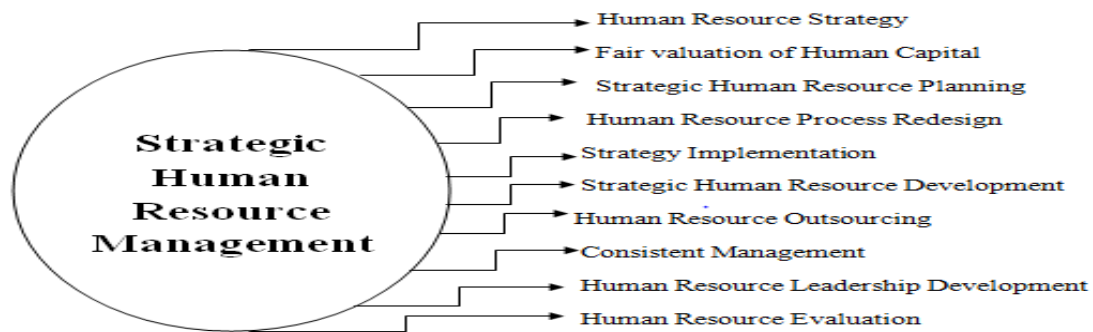


Figure 4

Fair Valuation of Human Capital

Fair valuation of human capital means every organization's success depends upon people who works in an organization so human resource department invest money on people for the growth of people to fulfil the gap between employee skills.

Strategic Human Resource Planning

Strategic human resource planning is a continuing process that identifies the gap between future and present requirement of human resource to run the organization in smooth manner.

Human Resource Process Redesign

Every organization base is the human resource department this human resource process is redesign means implementing all the strategies and plans through the people available in the organization and identifies the gap between future and present requirement of human resource to run the organization in smooth manner

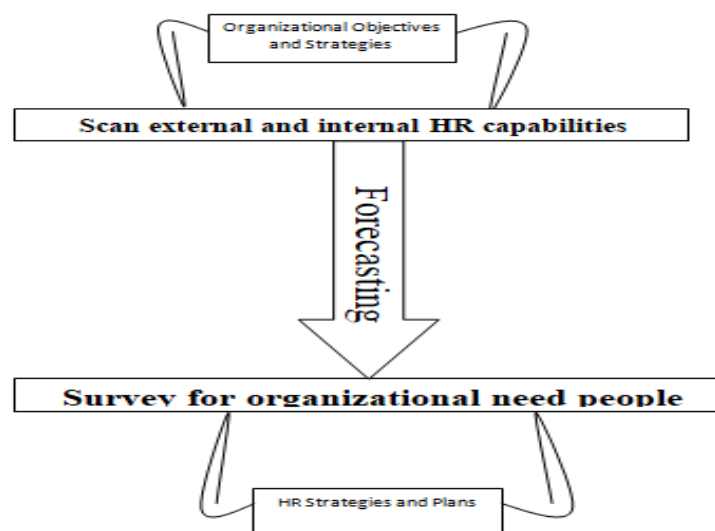


Figure 5

Strategy Implementation

Human resource strategy implementation means maintain a consistent work with the employees, increasing confidence and creating a good association with in work premises, maintain quality and to produce standard outcomes over the time.

Strategic Human Resource Development

Strategic human resource development is focused on the development of learning organizations in order to increase individual employee performance by providing training opportunities.

Consistent Management

Consistent management creates trust, respect, manager credibility and rational behaviour between employees and manager.

Human Resource Outsourcing

Human resource outsourcing is a strategic decision allotment of specific HR activities to other person or third person.



Figure 6

Human Resource Leadership Development

Human resource manager must act as leader for ensuring an organization is a right people with good work force in all activities. Management has conduct leadership development programs for the sake of employee development.

Human Resource Evaluation

Human resource evaluation is involving identifying the interested employees who are working to provide to them the rewards by measuring the performance of the employee. Human resource evaluation focus on cost control in proper allocation of resources.

Roles and Responsibilities of Strategic Human Resource Manager in 21st Century

Human beings are the most important resource of an organization. Every individual has separate values, aspirations, motivations, assumptions, goals. The first foremost work by the HR Manager is to develop sound organizational structure with a strong interpersonal skills to employees. So finally motive of HR manager should follow and implement suitable rule for changing his role in the 21st century. I suggest some roles to HR manager to gain attention of both management and employees.

Select the Best People

As a HR manager manage the people in organization choose and select best people from start chance to succeed.

Be a Leader, Not Only a HR Manager

Manager in an organization only measuring the performance it is not enough for organization success every manager has to change as a leader and identify what is missing, then and there motivating them to achieve the missing objective.

Managing Change

Managing change necessary for solving the some common problems what ever faced by the organization through the employees. Managing change may change the people organization perspective.

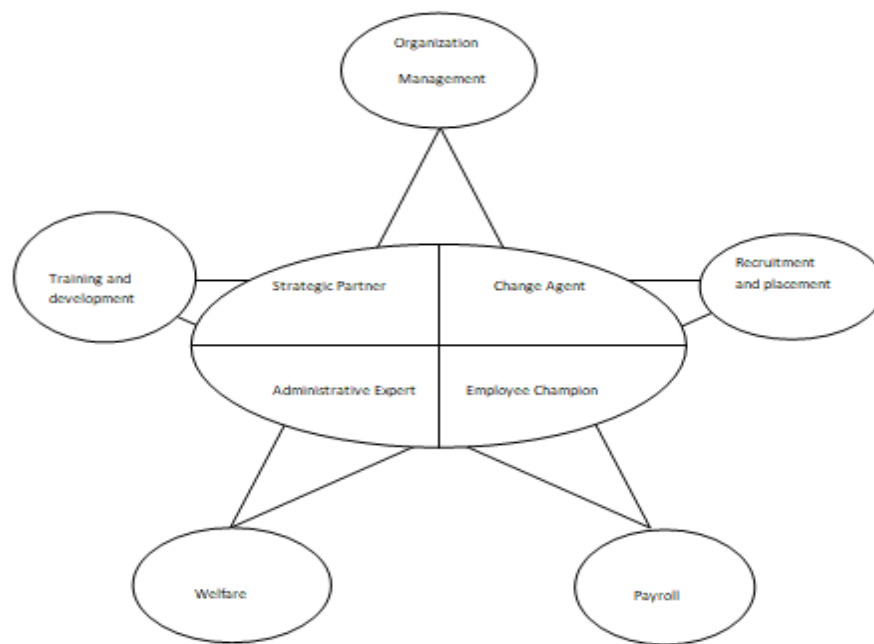


Figure 7

Strong HR Leadership

Managing change a strong leader can develop a clear vision by that motivating the employees achieving organizational goals through the work.

Work Culture

Work culture change the work environment in organization hr manager has to take initiative engages the mixed culture, people in organization to create a healthy work environment between the employees.

CONCLUSIONS

Strategic human resource management is people management to manage the people within the organization.

By this strategic human resource management every organization improves organization performance in all activities through organizational culture. Human Resource manager is concerned with enhanced productivity fully utilizing the combined talent and skills of entire workforce of an organization.

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